GOVERNMENT OF INDIA
SHIPPING, ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

UNSTARRED QUESTION NO:1701
ANSWERED ON:10.12.2008
CENTRAL ROAD FUND
Surendran Shri Chengara

Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) the details of funds collected from CESS on petrol and diesel during the last three years and the current year, year-wise;

(b) whether the Union Government proposes to set apart any amount from this Fund for road safety purposes;

(c) if so, the details thereof; and

(d) the works/projects undertaken out of the funds so collected, State-wise?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS(SHRI K.H. MUNIYAPPA)

(a) : Presently Rs.2.00 per litre are levied as cess in the nature of additional duty of excise and custom on both petrol and high speed diesel. Cess is collected by Ministry of Finance. Details of fund collected as cess on petrol and high speed diesel for the years 2005-06, 2006-07, 2007-08 and 2008-09 (upto September, 2008) are given hereunder:-

Year	Amount collected (Rs. in crore)
2005-06	11313.71
2006-07	12206.54
2007-08	13264.41
2008-09 (upto September.2008)	7511.54

(b) & (c) : The Government had set up a Committee under the Chairmanship of Shri S.Sunder, former Secretary, Ministry of Surface Transport to deliberate and make recommendations on creation of a dedicated agency for road safety and traffic management. Besides recommending creation of National Road Safety and Traffic Management Board (NRSTMB), the Committee has also recommended creation of National Road Safety Fund (NRSF) by way of earmarking 1% of the total proceeds of cess on petrol and diesel.

(d): As per the Central Road Fund Act, 2000 the cess money are utilized for development of national highways, development of the rural roads, development and maintenance of other state roads including roads of Inter-State and economic importance and construction of roads either under or over the railways by means of bridge and erection of safety works at unmanned rail-road crossings. Planning Commission allocates cess fund to Ministry of Railways, Ministry of Rural Development and Department of Road Transport and Highways in the manner prescribed under the said Act.

A part of the cess fund from the allocation of the Department of Road Transport & Highways is given to National Highways Authority of India (NHAI) for development of National Highway Development Projects (NHDP). This is not distributed State-wise.

The cess funds which are earmarked for development of State roads (other than rural roads) and roads of inter-state connectivity and economic importance are allocated to States. The Department of Road Transport & Highways gives administrative approval of works funded from the cess amount and the State Governments give technical and financial approval to such works. State-wise details of works/projects approved/sanctioned by the Department of Road Transport & Highways for development of State Roads and roads of Inter-State connectivity and economic importance (other than rural roads) out of the cess fund during the years 2005-06, 2006-07, 2007-08 and 2008-09 (till date) are given in the Annexure-I and II respectively.